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Lloyd Oatis/R10/USEPA/US  
06/28/2007 11:48 AM

To Peter Magolske/R10/USEPA/US@EPA  
cc Grechen Schmidt/R10/USEPA/US@EPA  
bcc  
Subject Re: Longview Fiber

Peter and Grechen

Below are excerpts from the Annual Information Form of Brookfield Asset Management, the present owners of Longview Fibre Company:

### THE CORPORATION

*Brookfield Asset Management Inc. (the "Corporation" or the "registrant") is a global asset management company. Focussed on property, power and infrastructure assets, the Corporation has over \$70 billion of assets under management and is co-listed on the New York and Toronto stock exchanges under the symbol BAM.*

*Brookfield Asset Management Inc. was formed by articles of amalgamation dated August 1, 1997 and is organized pursuant to articles of amalgamation under the Business Corporations Act (Ontario) dated January 1, 2005.*

*References in this Annual Information Form to the "Corporation" refer to Brookfield Asset Management Inc., including our predecessor companies. References to "Brookfield" include the Corporation's consolidated subsidiaries. Our registered office is Suite 300, BCE Place, 181 Bay Street, Toronto, Ontario, Canada M5J 2T3.*

*As an asset manager, we raise, invest and manage capital on behalf of ourselves and our co-investors, and develop and maintain leading operating platforms that enable us to effectively manage these assets and enhance their values over time. We operate and manage assets in the following areas:*

*i Our property operations include core office properties in North America, the U.K. and Brazil, residential home building in North America and Brazil, as well as associated development activities and property services. (See page 11)*

*i Our power generation business is concentrated almost exclusively on hydroelectric power generation in North America and Brazil, with a small number of co-generation and wind energy facilities. (See page 14)*

*i Our timberland operations own and manage two million acres of private timberlands in North America and Brazil. (See page 16)*

*i Our transmission infrastructure business includes electricity transmission systems in Canada and Chile. (See page 17)*

*v Our specialty funds business develops, invests and manages funds and investments on behalf of institutional and related investors that co-invest in the same types of assets which we own, including bridge lending, restructuring, real estate finance and fixed income and real estate securities. (See page 18)*

*v We also own direct interests in a number of investments, collectively referred to as Private Equity Investments, which will be sold once value has been maximized, integrated into our core operations or used to seed new funds. (See page 19)*

*At March 30, 2007, our operations and core investments employed approximately 11,900 people.*

USEPA SF



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All financial information in this Annual Information Form is expressed in United States dollars, unless otherwise noted. All information is as at December 31, 2006, unless otherwise noted.

### **Timberlands**

In February 2007, we announced that we had entered into a definitive agreement with Longview Fibre Company to acquire all its outstanding shares for cash at a price of \$24.75 per share, for a total transaction value of approximately \$2.15 billion including assumed debt. With this transaction, we will indirectly acquire 588,000 acres of prime, freehold timberlands in Washington and Oregon. In addition, we will indirectly acquire a pulp and paper complex at Longview, Washington and 15 corrugated container plants located in 12 states. The transaction is expected to close in the second quarter of 2007.

A quick look at the 2006 annual report for Brookfield Asset Management indicates that they are a large, substantial corporation headquartered in Canada. Their book value of consolidated total assets is more than \$40 Billion, 2006 net income was \$1.1 Billion and 2006 operational cash flow was \$1.8 Billion. Also, U.S. assets in their office property portfolio alone are more than \$14 Billion (measure for corporate guarantee). I have not checked Brookfield's bond ratings; however, it appears that they are capable of passing a corporate guarantee if that is the route they choose.

Based on the above, a question for WA Dept of Ecology is "have they requested a new form of financial assurance since the takeover by Brookfield?"

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Peter  
Magolske/R10/USEPA/US  
06/28/2007 07:36 AM

To: Grechen Schmidt/R10/USEPA/US@EPA, Lloyd  
Oatis/R10/USEPA/US@EPA  
cc

Subject: Longview Fiber

Good morning Gretchen and Lloyd:

I caught a news story in the Seattle Times about a week and a half ago about Longview Fiber Company being sold to a private company. So I asked Liz Doyle, our R10 librarian to see what she could pull up on any recent press articles concerning the company. I asked her just to look at articles since April.

See the attached PDFs.



Longview-news.pdf



longview-biz.pdf

Peter Magolske  
EPA Region 10

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